Government of Saskatchewan

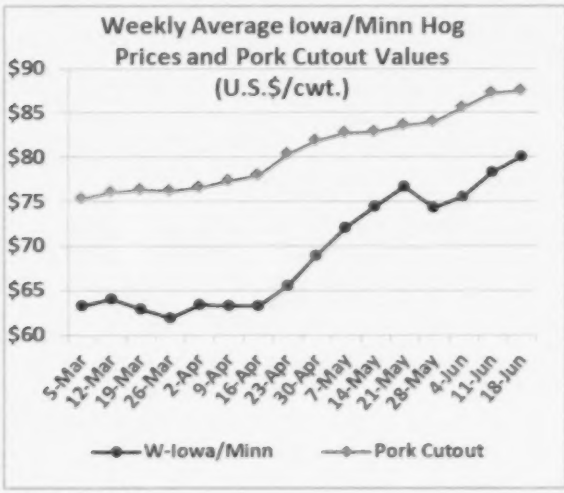
This information is provided as a resource by Saskatchewan Agriculture staff.
All prices are in Canadian dollars unless otherwise noted.
Please use this information at your own risk.

Weekly Hog Report

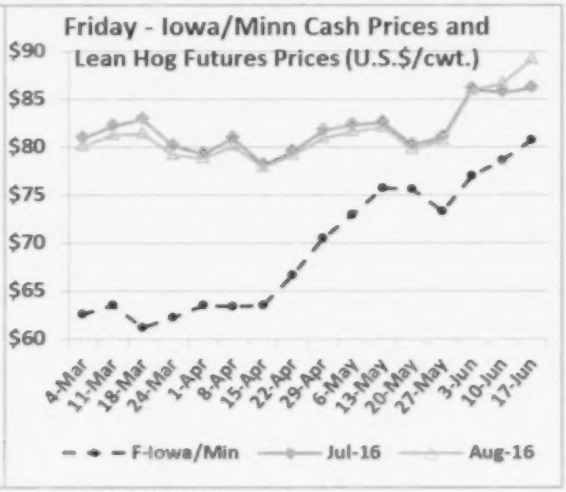
June 20, 2016

Cash Slaughter Weight Hog Prices

United States daily average cash hog prices (Iowa/Minn) edged higher early last week before declining Friday; to help prices end higher, week-over-week. Hog prices on Friday June 17 averaged US$80.70 per cwt, up US$2.10 per cwt or 2.7 per cent from US$78.60 per cwt the previous Friday. The negotiated base price last week averaged US$80.10 per cwt, up US$1.86 per cwt or 2.4 per cent from US$78.24 per cwt the previous week. Weekly cash hog prices were higher on steady pork cutout values.



Source: LMIC



Source: LMIC, CME

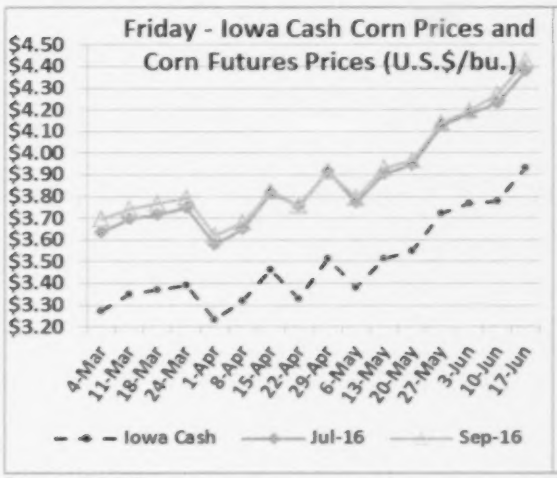
In Canada, the Signature#3 (Maple Leaf) Index 100 daily price for Friday June 17, 2016 was $194.05 per ckg, up $10.30 per ckg or 5.6 per cent from $183.75 per ckg the previous Friday. Signature#3 weekly prices (Friday to Thursday) averaged $188.04 per ckg, up $4.85 per ckg or 2.6 per cent from the previous weeks' average price of $183.19 per ckg. The Canadian dollar was lower last week following general stock markets closing Friday at 77.65 cents, down 0.74 cents from 78.39 cents the previous Friday.

Futures Markets

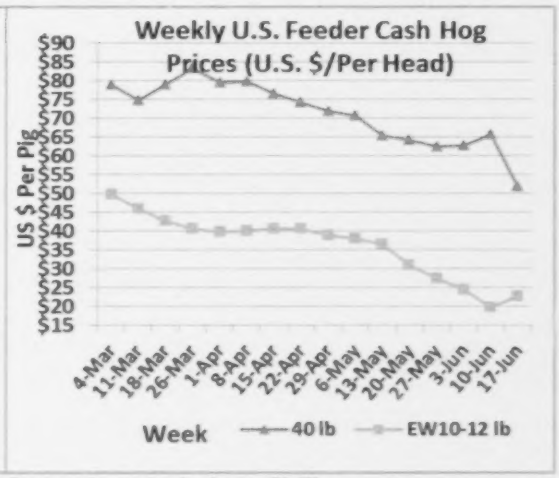
United States lean hog futures daily prices were mixed over the week but primarily higher to end the week higher, week-over-week. The nearby July contract edged US$0.475 per cwt higher to settle Friday at US$86.175 per cwt, while the August contract increased US$2.550 per cwt to settle Friday at US$89.175 per cwt.

Cash Feeder Hog Prices

North American (Iowa) iso-wean (10-12lb) cash hog prices and feeder (40lb) cash hog prices were mixed last week. Weighted average cash prices for iso-weans (12lb) last week were US$22.58 per head, up US$2.81 per head from US$19.77 per head the previous week. Feeders (40lb) averaged US$51.76 per head, down $14.04 per head from US$65.80 per head, the previous week.



Source: LMIC



Source: Iowa Agriculture, CME

Iowa cash corn prices increased fifteen cents last week to settle Friday at US$3.93 per bushel. U.S. daily corn futures prices were mixed last week with strong gains on Friday to end the week higher, week-over-week. The July 2016 corn contract increased almost fifteen cents to settle Friday at US$4.37 ¾ per bushel, while the September 2016 corn contract increased just over fifteen cents to settle Friday at US$4.42 ¾ per bushel.

Hogs Slaughtered

U.S. hogs slaughtered under federal inspection for the week ending June 18 were estimated 2.160 million head, up 3.5 per cent from 2.086 million head the previous week, and up 1.3 per cent from 2.132 million head the same week a year ago. U.S. hogs slaughtered over the last four weeks ending June 18 averaged 2.082 million head per week, up 1.1 per cent from 2.059 million head the same period a year ago.

In Canada, federal and provincial hog slaughter numbers for the week ending June 11, 2016 were estimated at 394,550 head, down slightly from 395,365 head the previous week, and down 0.6 per cent from 397,018 head the same week a year ago. Canadian hog slaughter numbers over the last four weeks averaged 382,534 head, down 0.9 per cent from 385,938 head over the same period in 2015. Year-to-date, hogs slaughtered in Canada in 2016 have totaled 9,425,508 head, up 2.3 per cent from 9,214,919 head over the same period in 2015.

In Western Canada, hogs slaughtered over the week ending June 11, 2016 were estimated at 167,153 head, up 3.3 per cent from 161,860 head the previous week, and up 0.5 per cent from 166,272 head the same week a year ago. Hogs slaughtered over the last four weeks averaged 158,789 head, down 0.4 per cent from over the same period in 2015.

Meat Production

U.S. pork production for the week ending June 18, 2016 was estimated at 458.7 million lb., up 3.6 per cent from 442.9 million lb. the previous week, and up 1.7 per cent from 451.1 million lb. the same week a year ago. Pork production over the last four week's ending June 18 was estimated to average 442.0 million lb., up 0.8 per cent from 438.3 million lb. over the same four week period a year ago.

U.S. beef production for the week ending June 18 was estimated at 487.6 million lb., up 2.0 per cent from 477.9 million lb. the previous week, and up 9.2 per cent from 446.5 million lb. the same week a year ago.

Combined production of U.S. beef, pork, chicken and turkey over the four weeks ending June 11, 2016, was estimated to average 2.009 billion lb., up 3.1 per cent from 1.948 billion lb. over the same four weeks a year ago. Year-to-date, total U.S. meat production for 2016 is estimated to be up 2.5 per cent compared to the same period in 2015.

United States Weekly Meat Production

(June 11) Four Week Average - Million Lb.			Percent Change	
	2015	2016	4 Week	YTD 2016
Pork	439.3	439.7	0.1%	0.1%
Beef	443.5	463.8	4.6%	4.0%
Chicken	948.5	974.4	2.7%	2.9%
Turkey	116.4	131.1	12.7%	2.4%
Total	**1,947.7**	**2,009.0**	**3.15%**	**2.47%**

Source: LMIC

Cutout Values

U.S. national pork cutout values for the week ending June 18, 2016 averaged US$87.46 per cwt, up 0.4 per cent or US$0.32 per cwt from US$87.14 per cwt the previous week, and up 3.4 per cent from US$84.55 per cwt from the same week a year ago.

Choice beef cutout prices (600-900 lb.) for the week ending June 18, 2016 averaged US$225.53 per cwt over the week, almost unchanged only down slightly from US$225.60 per cwt the previous week, but down 9.7 per cent from US$249.87 per cwt the same week a year ago.

Average chicken cutout values (breast) for the week ending June 18, 2016 averaged US$118.69 per cwt, up 4.5 per cent from US$113.56 per cwt the previous week, but down 16.9 per cent from US$142.89 per cwt the same week a year ago.

For more information contact:

Brad Marceniuk, PAg, MSc, BSA
Provincial Livestock Economist
(306) 933-5098
brad.marceniuk@gov.sk.ca